

MITI is proposing specific figures to try to force-feed U.S. cars into Japan. They plan to have the 23 leading Japanese car, electronics, and machinery makers increase imports of autos and auto parts by \$10 billion in 1993 from the \$16.2 billion they spent in 1990. Half these imports would come from the United States.

Toyota, Japan's largest automaker, announced in Tokyo Jan. 2 plans to set up procurement centers for auto parts in the U.S. to establish a permanent gateway for purchasing U.S.-made products. The centers will be set up this year in several areas, including Detroit and the West Coast, officials said. Japan's top five automakers—Toyota, Nissan, Honda, Mitsubishi, and Mazda—also pledged to boost U.S. auto and parts sales in Japan on Jan. 2. In plans submitted to the government, the five said that they will increase imports of finished cars and auto parts by 170% from fiscal year 1990 to fiscal year 1994. Their subsidiaries in the U.S. expect to double purchases of parts from local suppliers.

None of this can possibly work. As Prof. Yoshi Tsurumi told "This Week with David Brinkley" Jan. 5, "In the first place, the American car industry is in trouble not because Japanese are not buying, but because American consumers are not buying. Bush couldn't have chosen a less appropriate group of U.S. business leaders to take to Japan, because they represent collectively what is *wrong* with U.S. society and economics today!" Some improvement has been taking place in U.S. auto production, he said, but "it's not good enough yet and American consumers are just not buying it. The resale value of American autos in the U.S. market, compared with that of Japanese imports, declines steeply as the car ages. That is the U.S. market's evaluation of the reliability of American cars!"

Told that the problem is Japanese government subsidies to Japanese automakers, he replied: "That old argument doesn't wash, because Americans are buying up the Hondas and Nissans all made in the United States."

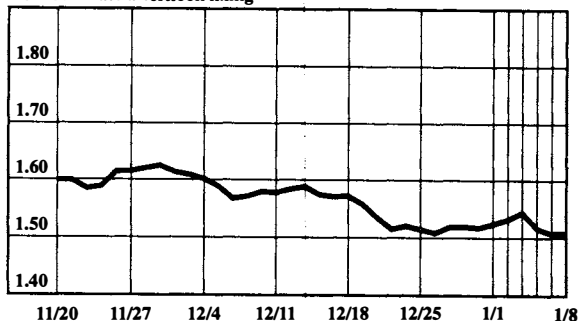
"We have strong doubts about a simple equation between U.S. unemployment and market access to Japan," a Japanese Foreign Ministry official told reporters Jan. 3. "There are many more efforts that the American side should make on the domestic front in terms of more competitiveness, education standards, and all sorts of long-term structural issues," he said. "These are the most important key issues for American economic problems, and the President knows that."

Detroit, Lyndon LaRouche told *EIR* Jan. 7, is justly suffering "Henry Ford's revenge. These bums have used their Seventh Avenue garment manufacturer methods and Wall Street bankers to make a consumer-oriented industry, and now they've got their come-uppance," he said. "They put crazy McNamara, Robert Strange McNamara, in at Ford, as Ford surrendered to Wall Street, bringing in systems analysis. They ruined the entire industry, and now they're complaining they're going to suffer. They're going to collapse in two years, if something isn't done about it."

## Currency Rates

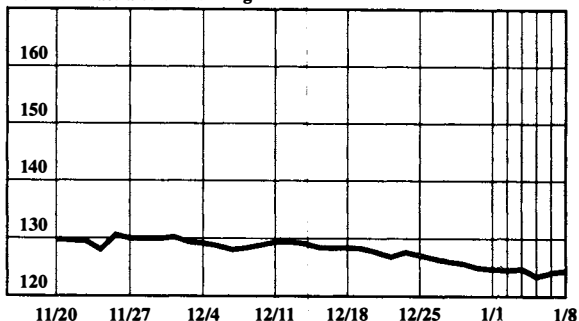
### The dollar in deutschemarks

New York late afternoon fixing



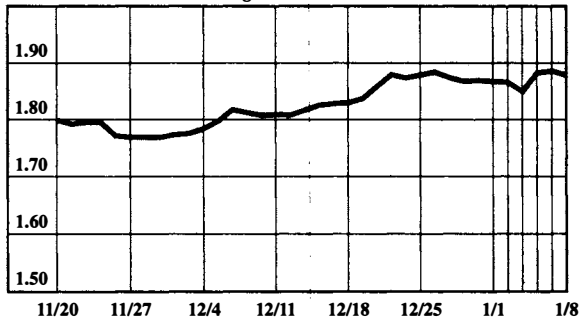
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

